

## Summary of Changes in Draft UR Penalty Regulations after 9/15/05

9792.11(g): changed subsection enumeration and added words 'factual'. Added last sentence to (g)(2) making clear UR investigation will be separate from audit investigation.

9792.11(l): new section added that gives AD the discretion, upon the initiation of a UR investigation, to provide the claims administrator or other entity subject to LC 4610 with a written description of the factual basis for the investigation and allow the claims administrator 10 business days to file a written response. Upon review of the response, the AD may close the investigation without penalty or proceed with the investigation.

9792.12(a)(1): added words 'to file a utilization review plan and to...' and moved subsections (A) through (E) from former 9792.12(a)(13) to this subsection.

9792.12(a)(1) through (10) added the phrase 'a maximum of' before the penalty dollar amount.

9792.12 (a)(3): dropped the word 'licensure'

9792.12(a)(5): changed last clause to add words '...has provided the specific clinical rationale for the requested treatment and has provided or referred to relevant pages(s) of...' (referring to other evidence-based medical treatment guidelines that are generally recognized by the national medical community and are scientifically based)

9792.12(a)(9): new \$ 5000 penalty for failing to authorize and provide medical treatment as required under Lab. Code § 5402(c) (i.e. until claim is accepted or rejected)

9792.12(a)(10) to (12) and (a)(14) were moved to 9792.12(b)(1), (b)(2) and (b)(3) and reworded as multiple instance penalty violations. The remaining subsections in 9792.12(b) were renumbered accordingly.

9792.12(a)(13) was deleted because the substance of that text was moved into 9792.12 (a)(1).

9792.12(a)(15) [penalties for failing to pay appropriate reimbursement for authorized treatment when the provider bills in accordance with Lab. Code 4603.2 and the appropriate reimbursement remains unpaid by the time of the UR investigation] - deleted entirely.

9792.13(a)(6): added as a new adjustment factor to be considered in regard to penalties.

9792.13(d): added the words 'requesting provider' as party whose refusal to cooperate could be factor in amount of penalty.

9792.13(b) reworded.